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ARTICLE APPEARED
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WASHINGTON TIMES
24 October 1985

Sporkin faces Senate questions about role in probe of CIA leak

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By Bill Gertz
THE WASHINGTON TIMES

The Senate Judiciary Committee today will examine allegations that CIA general counsel Stanley Sporkin acted improperly during a Justice Department investigation of a senior CIA official suspected of leaking classified information, congressional sources said yesterday.

The committee has scheduled closed hearings on Mr. Sporkin's nomination to a federal judgeship on the U.S. District Court for the District of Columbia.

Mr. Sporkin is expected to be questioned about his relationship with former CIA National Intelligence Officer Charles E. Waterman, the congressional sources said. Also facing questioning are CIA Director William Casey and several Justice Department officials.

The committee is examining whether Mr. Sporkin, a former enforcement chief at the Securities and Exchange Commission, shielded Mr. Waterman from federal investigators and arranged free legal counsel for him when he was under scrutiny for alleged disclosure of CIA secrets.

Mr. Sporkin did help Mr. Waterman secure counsel of Washington attorney Seymour Glanzer, a former special prosecutor in the Watergate affair. Mr. Glanzer, in a telephone interview last night, denied that he provided free counsel to Mr. Waterman, but he declined to comment on the financial arrangement. He also is expected to testify today.

CIA spokesman Patti Volz denied that Mr. Waterman was provided with free counsel. "While he [Mr. Sporkin] did advise Waterman to get a lawyer," she said, "he did not tell him he would be able to get one free of charge."

Senate investigators are looking into why Mr. Waterman was not prosecuted, congressional sources said.

Mr. Waterman, 46, directed CIA analyses of Middle Eastern affairs until last year when he left the agency after polygraph tests he took showed inconclusive results, sources said. The tests related to unauthorized disclosure of CIA secrets relating to political, military and economic developments in the Middle East, sources said.

The CIA confirmed that Mr. Waterman served as a national intelligence officer and also as deputy chairman of the National Intelligence Council until 1984. National intelligence officers advise the director of Central Intelligence.

Mr. Waterman, reached by telephone in Northern Virgina, declined to comment on the allegations or his reasons for leaving the CIA.

Concern has been growing among intelligence officials over the confidentiality of classified materials. FBI Director William Webster testified before the Senate investigations subcommittee Tuesday that many government employees and members of the press "have become numb or lost respect for the principle of confidentiality."

"[And that] forms the basis for the illegality because distributing classified information is illegal," Mr. Webster said. He pointed to the case of Samuel Loring Morison as an example. Morison was convicted on espionage charges last week in a Baltimore federal court for passing U.S. intelligence photographs to a trade publication.

According to one intelligence source, the National Security Agency intercepted in June 1982 several cables from Washington to a large Asian corporation that described details of Middle Eastern military, economic and political intelligence matters. The NSA traced the data to the CIA's National Intelligence Daily (NID). The NID is an internal digest circulated to approximately 200 senior government officials.

The intercepted information included top secret, "code-word" data on the Iran-Iraq military standoff, U.S. plans to halt purchases of Libyan oil and details of internal Iraqi political developments, the source said. The secrets were collected from U.S. spy satellites and by NSA intercepts of foreign government communications, the source said.

NSA security officials contacted the FBI, and its investigation led to Mr. Waterman, the sources said. He was given several polygraph tests — all of which were inconclusive with regard to questions of unauthorized disclosure of secret data, the source said.

The investigation also linked Mr. Waterman to Richard Straus and Kenneth Wollack, who are employed by a Washington-based consulting group called the Middle East Policy Group. The group publishes Middle East Policy Survey, a bi-monthly newsletter that is noted for carrying intimate details of Middle East affairs.

Asked whether Mr. Waterman had supplied CIA information to the consulting firm, Mr. Straus said, "I knew Charlie Waterman, and he never leaked any secrets."

After the FBI polygraphs, Mr. Waterman acknowledged providing classified information. But during an investigation by the CIA's Office of Security, which included additional polygraph tests that bolstered the FBI findings, Mr. Waterman recanted his initial statement, the source said.

Both the Justice Department and CIA Office of Security moved to prosecute Mr. Waterman on espionage charges. They were put off the investigation at the request of CIA Director William Casey, sources close to the investigation said. Those sources also said Mr. Casey circulated a memo in an effort to clear Mr. Waterman of accusations of wrongdoing.

Mr. Casey dismissed Mr. Waterman from the agency. Mr. Waterman currently works as a foreign affairs consultant and reporter for the Christian Science Monitor. His articles have appeared periodically since December 1984.

The CIA vigorously denied that Mr. Casey had any involvement in curtailing the investigation of Mr. Waterman.

"Mr. Casey has not used his position to influence any security investigation, and I emphasize any," said Ms. Volz, the agency spokesman. She said Mr. Casey as a rule "advocates vigorous pursuit of the facts."

Senate Judiciary Committee Chairman Strom Thurmond, South Carolina Republican, and Sen. Jeremiah Denton, Alabama Republican, are opposing Mr. Sporkin's nomination on the basis of alleged improprieties in protecting Mr. Waterman from prosecution, congressional sources said.

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